



PSC NEWS

Missouri Public Service Commission

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PSC Orders Reduction In AmerenUE Natural Gas Rates

JEFFERSON CITY—To reflect estimated changes in the wholesale cost of natural gas, AmerenUE natural gas customers in the former Aquila, Inc. Eastern System service area (including the city of Rolla) will see natural gas bills drop by approximately 1% under a filing which will take effect on March 1, 2006. AmerenUE's filing originally contemplated a March 8, 2006 effective date.

A residential customer currently pays approximately \$1.40 per Ccf (per 100 cubic feet of gas). Under this filing, the rate will drop to approximately \$1.38 per Ccf, a decrease of approximately \$0.02 per Ccf.

Approximately 65% to 70% of a customer's natural gas bill reflects the cost of natural gas from wholesale suppliers. The wholesale cost of natural gas (the cost your local natural gas company must pay to its suppliers for natural gas) is not regulated by the Missouri Public Service Commission. The wellhead cost of natural gas is unregulated and is primarily driven by supply, demand and the weather. The Missouri Public Service Commission does conduct an annual regulatory review to ensure that regulated natural gas companies make prudent decisions in securing natural gas supplies for their customers.

AmerenUE serves approximately 4,300 natural gas customers in the former service area of Aquila, Inc.'s Eastern System in Phelps County.